

VZCZCXYZ0001
RR RUEHWEB

DE RUEHBS #2750/01 2431343
ZNR UUUUU ZZH
R 311343Z AUG 07
FM USEU BRUSSELS
TO RUEHC/SECSTATE WASHDC
RUEHC/DOL WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

UNCLAS USEU BRUSSELS 002750

SIPDIS

SIPDIS

DOL FOR BLS AND ILAB
TREASURY FOR IMI
STATE FOR DRL/IL

E.O. 12958: N/A

TAGS: [ELAB](#) [EUN](#)

SUBJECT: EU UNEMPLOYMENT DOWN TO 6.8 PERCENT IN
JULY 2007; EUROZONE RATE STABLE AT 6.9 PERCENT

¶1. SUMMARY. The aggregate unemployment rate for the EU-27 reached 6.8 percent in July 2007, according to data published by the EU Commission's Statistical Office (EUROSTAT) on August 31. Unemployment in the eurozone (the thirteen EU countries participating in the euro) stood at 6.9 percent. END SUMMARY.

¶2. With seasonal adjustment and compensation for differences in national statistical methods, the unemployment rate in the EU-27 stood at 6.8 percent in July 2007, down from 6.9 percent in June 2007 and from 7.9 percent in July 2008. The unemployment rate for the eurozone stood at 6.9 percent in July 2007, unchanged in comparison to the previous month and down from 7.8 percent in July 2006.

¶3. The country-by-country analysis revealed a more nuanced picture. The lowest rates compiled from the EU-27 for July 2007 were recorded in Denmark (3.2 percent), the Netherlands (3.4 percent), Cyprus (4.1 percent) and Austria (4.3 percent). The highest rates were recorded in Slovakia (10.6 percent) and Poland (9.7 percent).

¶4. EUROSTAT noted that twenty-three countries among the EU-27 recorded a decrease in their unemployment rate over a year and four an increase. The most significant decreases (July-to-July comparison) occurred in Bulgaria (from 9.4 percent to 6.6 percent) and Poland (from 13.6 percent to 9.7 percent). The highest relative increases were recorded in Portugal (from 7.5 percent to 8.2 percent) and Ireland (from 4.4 percent to 4.7 percent).

¶5. Based on EUROSTAT estimates, male unemployment reached 6.1 percent in July 2007 for the EU-27 and 5.8 percent for the euro zone, down by 1.0 percentage point and 0.9 percentage point respectively when compared to July 2006. The female rate over the same period decreased to 7.8 percent for the EU-27 (minus 1.0 percentage point) and to 8.3 percent for the euro zone (minus 0.9 percentage point).

¶6. Unemployment rates among young people under 25 (July 2007 estimates, unless otherwise noted) ranged from 6.2 percent in Denmark, 7.2 percent in the Netherlands and 8.2 percent in Austria to 24.6

percent in Greece (first quarter of 2007), 21.9 percent in France, 20.2 percent in Italy (first quarter of 2007) and 20.0 in Poland. The rate for this age group in July 2007 was estimated at 15.4 percent for the EU-27 and 15.2 percent for the euro zone, compared to 17.3 percent (minus 1.9 percentage point) and 16.3 percent (minus 1.1 percentage point) respectively in July 2006.

17. EUROSTAT estimated that 16.0 million were unemployed in the EU-27 in July 2007 (10.4 million in the euro zone). Following is the breakdown of unemployment rates in ascending order for the individual EU member states:

(Seasonally-adjusted)

(July 2007 unless otherwise indicated)

Denmark	3.2	
Netherlands	3.4	
Cyprus	4.1	
Austria	4.3	
Ireland	4.7	
Lithuania		4.7
Luxembourg	4.9	
Slovenia	5.1	
Sweden	5.2	(provisional)
UK	5.3	(May 2007)
Estonia	5.4	
Czech Republic	5.5	
Latvia		5.6
Italy	6.1	(first quarter 2007)
Malta	6.3	
Germany		6.4 (provisional)
Bulgaria	6.6	
Finland	6.8	
Romania	6.9	
Belgium	7.5	
Hungary	7.7	
Spain		8.0
Portugal	8.2	
France	8.5	(see note below)
Greece		8.6 (first quarter 2007)
Poland		9.7
Slovakia	10.6	
Euro zone	6.9	
EU-27	6.8	

Note: Estimates for France are based on results of the Labor Force Survey that are provisional and may be subject to revision later this year.

18. The monthly rates and numbers of unemployed are estimated and based on data from the EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

-- Are without work;

-- Are available to start work within the next two weeks; and

-- Have actively sought employment at some time during the previous four weeks.

Murray